

Matthew H. Adler (MA-4720)
Jeffrey A. Carr (JC-1130)
Pepper Hamilton LLP
300 Alexander Park
CN 5276
Princeton, NJ 08543-5276
Tel: (609) 452-0808

**UNITED STATES DISTRICT COURT
FOR THE
DISTRICT OF NEW JERSEY**

**COMMODITY FUTURES TRADING)
COMMISSION,)
)
Plaintiff,)**

vs.

Civil Action No.: 04CV 1512

**EQUITY FINANCIAL GROUP, LLC,)
TECH TRADERS, INC., TECH)
TRADERS, LTD., MAGNUM)
INVESTMENTS, LTD., MAGNUM)
CAPITAL INVESTMENTS, LTD.,)
VINCENT J. FIRTH, ROBERT W.)
SHIMER, COYT E. MURRAY, and J.)
VERNON ABERNETHY)
)
Defendants.)**

Honorable Robert B. Kugler

**AFFIDAVIT OF STEPHEN T. BOBO MOTION OF EQUITY RECEIVER
FOR AUTHORITY TO SETTLE DISPUTES WITH MCDERMOTT, WILL & EMERY**

Stephen T. Bobo first being duly sworn, states as follows:

1. I have personal knowledge of the contents of this affidavit and am competent to testify regarding them.

2. I am serving as Equity Receiver for Defendants Equity Financial Group, LLC, Tech Traders, Inc., Tech Traders, Ltd., Magnum Investments, Ltd., Magnum Capital Investments, Ltd., Robert W. Shimer and Vincent J. Firth pursuant to the provisions of several orders entered by the Court in this case.

3. Beginning in January 2004 through April 8, 2004, Tech Traders, Inc., Tech Traders, Ltd. and Coyt Murray individually were formerly represented by the law firm of McDermott, Will & Emery ("MWE") in matters related to the CFTC's investigation and the early stages of this litigation. The records of Tech Traders, Inc. show that it paid a total of \$246,000 to MWE in retainer payments. At the time of the commencement of this case on April 1, 2004, MWE had withdrawn a total of \$81,637.57 from the Tech Traders' retainer funds to pay its invoices, leaving a balance of \$164,362.43 in the retainer account.

4. I demanded that MWE turn over the retainer funds. MWE refused to comply unless it was first paid for all of its outstanding bills for services rendered during March and April 2004. Those bills totaled \$78,651.26.

5. I have challenged the amounts sought by MWE, both because of the magnitude of the charges in total and also because most of the charges were billed to Tech Traders, Ltd. and Coyt E. Murray, whereas the retainer came only from Tech Traders, Inc. I believe that the use of funds of Tech Traders to pay obligations of its owner and sister corporation would likely be avoidable under fraudulent conveyance law.

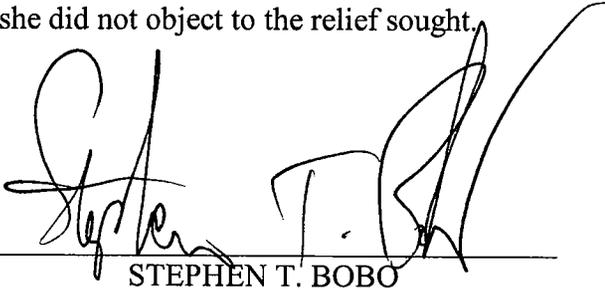
6. MWE's explanation is that the work it did for the three clients was closely related and that the charges for nearly all of the work it did for Tech Traders was split evenly between Tech Traders, Inc. and Tech Traders, Ltd. MWE contends that if Tech Traders, Ltd. had not been a client, then its charges to Tech Traders, Inc. would have included the amount billed to Tech Traders, Inc.

7. I have negotiated with MWE a resolution of the fee issues. MWE has agreed to return a total of \$132,587.16 from the retainer funds to the Tech Traders receivership estate and apply the other \$31,775.27 to its outstanding invoices. In addition, MWE and I would exchange mutual general releases.

8. I believe that this settlement is advantageous for the receivership estate because it has a favorable result without any further expense to the estate. The settlement amount is well within the range of reasonable results if the issues were litigated to judgment instead of being resolved through this settlement.

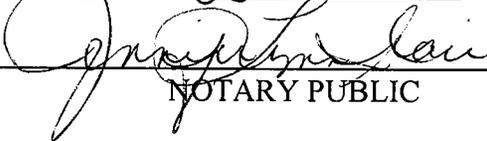
9. I have discussed this motion with the attorney for the plaintiff, Commodity Futures Trading Commission, who indicated that she did not object to the relief sought.

AFFIANT FURTHER SAYETH NOT.



STEPHEN T. BOBO

SWORN TO AND SUBSCRIBED before me
this 13th day of October, 2006



NOTARY PUBLIC

